

AMENDED IN SENATE APRIL 12, 2005

SENATE BILL

No. 909

Introduced by Senator Escutia

February 22, 2005

An act to amend Section ~~53066.3~~ of the Government Code, relating to ~~cable television franchises~~ 709 of the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

SB 909, as amended, Escutia. ~~Local cable television franchises~~
Telecommunications: video services: fair competition.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including telephone corporations. Existing law authorizes the commission to establish rules for all public utilities, subject to control by the Legislature. Existing law declares the policies for telecommunications in California.

This bill would declare establishing fair competition in the areas of telecommunications and video services as a policy for telecommunications in California.

~~Existing law requires that if a city, county, or city and county elects to grant an additional cable television franchise in an area where a franchise has already been granted, it shall first conduct a noticed public hearing at which specified issues are considered.~~

~~This bill would make a technical, nonsubstantive change in that requirement.~~

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

~~SECTION 1. Section 53066.3 of the Government Code is amended to read:~~

SECTION 1. The Legislature finds and declares all of the following:

(a) At one time cable television corporations were monopoly providers of video services, but technological advances have made satellite-direct video services a viable competitor.

(b) Technological advances are allowing telephone corporations to offer video service over enhanced telecommunications networks.

(c) Soon commercial mobile radio service providers, including cellular telephone companies, will be offering video service over their wireless networks.

(d) The public interest is served when there is widespread access to multiple providers that are competing fairly to offer video services to consumers.

(e) Fair competition requires a level playing field with respect to state-mandated obligations.

(f) It is the intent of the Legislature to establish rules for the provision of video services that encourage fair competition.

SEC. 2 Section 709 of the Public Utilities Code is amended to read:

709. The Legislature hereby finds and declares that the policies for telecommunications in California are as follows:

(a) To continue our universal service commitment by assuring the continued affordability and widespread availability of high-quality telecommunications services to all Californians.

(b) To focus efforts on providing educational institutions, health care institutions, community-based organizations, and governmental institutions with access to advanced telecommunications services in recognition of their economic and societal impact.

(c) To encourage the development and deployment of new technologies and the equitable provision of services in a way that efficiently meets consumer need and encourages the ubiquitous availability of a wide choice of state-of-the-art services.

(d) To assist in bridging the “digital divide” by encouraging expanded access to state-of-the-art technologies for rural, inner-city, low-income, and disabled Californians.

(e) To promote economic growth, job creation, and the substantial social benefits that will result from the rapid implementation of advanced information and communications technologies by adequate long-term investment in the necessary infrastructure.

(f) To promote lower prices, broader consumer choice, and avoidance of anticompetitive conduct.

(g) To remove the barriers to open and competitive markets and promote fair product and price competition in a way that encourages greater efficiency, lower prices, and more consumer choice.

(h) To establish fair competition in the areas of telecommunications and video services.

~~(h)~~

(i) To encourage fair treatment of consumers through provision of sufficient information for making informed choices, establishment of reasonable service quality standards, and establishment of processes for equitable resolution of billing and service problems.

~~53066.3. (a) If a city, county, or city and county elects to grant an additional cable television franchise in an area where a franchise has already been granted to a cable television operator, it shall do so only after a public hearing noticed pursuant to Section 6066, in a newspaper of general circulation as defined in Section 6000, where all of the following have been considered:~~

~~(1) Whether there will be significant positive or negative impacts on the community being served.~~

~~(2) Whether there will be an unreasonable adverse economic or aesthetic impact upon public or private property within the area.~~

~~(3) Whether there will be an unreasonable disruption or inconvenience to existing users, or any adverse effect on future use, of utility poles, public easements, and the public rights-of-way contrary to the intent of Section 767.5 of the Public Utilities Code.~~

~~(4) Whether the franchise applicant has the technical and financial ability to perform.~~

1 ~~(5) Whether there is any impact on the franchising authority's~~
2 ~~interest in having universal cable service.~~

3 ~~(6) Whether other societal interests generally considered by~~
4 ~~franchising authorities will be met.~~

5 ~~(7) Whether the operation of an additional cable television~~
6 ~~system in the community is economically feasible.~~

7 ~~(8) Any other additional matters, both procedural and~~
8 ~~substantive, as the franchising authority may determine to be~~
9 ~~relevant.~~

10 ~~(b) Nothing in this section prevents any city, county, or city~~
11 ~~and county from considering the approval or denial of an~~
12 ~~additional cable service franchise in any area of the city, county,~~
13 ~~or city and county, subject to compliance with subdivision (d), or~~
14 ~~the imposing of additional terms and conditions upon the~~
15 ~~granting of the franchise, as the city, county, or city and county~~
16 ~~determines is necessary or appropriate.~~

17 ~~(c) The city, county, or city and county shall make a final~~
18 ~~determination as to whether to grant the additional franchise~~
19 ~~within six months of the application date unless the jurisdiction~~
20 ~~can establish that the applicant has unreasonably delayed~~
21 ~~proceedings designed to consider the matters set forth in~~
22 ~~paragraphs (1) to (8), inclusive, of subdivision (a).~~

23 ~~(d) Any additional franchise granted to provide cable~~
24 ~~television service in an area in which a franchise has already~~
25 ~~been granted and where an existing cable operator is providing~~
26 ~~service or certifies to the franchising authority that it is ready,~~
27 ~~willing, and able to provide service, shall require the franchisee~~
28 ~~to wire and serve the same geographical area within a reasonable~~
29 ~~time and in a sequence which does not discriminate against lower~~
30 ~~income or minority residents, and shall contain the same public,~~
31 ~~educational, and governmental access requirements that are set~~
32 ~~forth in the existing franchise. This subdivision does not apply~~
33 ~~where all existing cable operators certify to the franchising~~
34 ~~authority that they do not intend to provide service within a~~
35 ~~reasonable time to the area to be initially served by the additional~~
36 ~~franchise.~~